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July 23, 2007

VIA E-FILING AND HAND DELIVERY

Charles L.A. Terreni, Esquire
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Application of Midlands Utility, Incorporated Requesting Approval of a
Wholesale Wastewater Agreement with the Lexington County Joint
Municipal Water & Sewer Commission
Docket No. 2007-223-S

Dear Mr. Terreni:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed the above docketed matter and has no objection to the Application of Midlands Utility, Inc. ("Midlands"). Midlands's tariff language with respect to services provided by a government body or agency reads:

Midlands will also charge for treatment services provided by the government body or agency, or other entity to the affected customers on a pro rata basis, without mark up. *Midlands shall provide affected customers an explanation of the increase with the first bill reflecting the increase rate.* (Emphasis added.)

The Lexington County Joint Municipal Water & Sewer Commission ("LCJMWSC") has agreed not to increase its initial rate for a minimum of twelve months after discharge from the utilities system is initiated. Midlands has agreed to provide notice to its customers earlier than the first bill reflecting the increased rate to the extent that Midlands is able, provided it has received notice from the LCJMWSC and is able to forward a notice to its customers prior to the bill reflecting the increase. Midlands has also agreed to provide ORS a courtesy notice of a change in the rates charged to

Midlands by LCJMWSC so that ORS's Consumer Services Department can be prepared to address customer calls, if any.

Sincerely,

A handwritten signature in black ink that reads "Shannon Bowyer Hudson". The script is cursive and fluid, with the first name "Shannon" being the most prominent.

Shannon Bowyer Hudson

cc: Charles H. Cook, Esquire
Scott Elliott, Esquire